

Tradies find work in cyberspace

The internet is proving to be an efficient tool for builders searching for projects, writes **Sam McKeith**.

Recession-hit tradies are downing tools and going online to drum up business.

As job leads dry up and commercial construction slumps, more tradesmen than ever are competing for work on the net, website operators say.

At serviceseeking.com.au, where potential customers upload projects they need done and then companies bid for the work in an open forum, business is up 90 per cent on last year and is expected to grow by 40 per cent through 2009, director Jeremy Levitt says.

Levitt says firms are doing whatever they can to generate work, including bidding for it online. "It [tendering online] presents the opportunity to quickly build a customer base. Instead of you chasing a business to do work they're chasing you."

Service Central chief executive Bruce Ahchow agrees, saying activity at his online services marketplace is strong, especially in construction as commercial jobs dwindle and contractors look to build leads in the residential sector instead.

"We become an attractive lead-generation alternative as [conditions] soften in building and key trades such as plumbing, electrical, renovation, carpentry and painting — and contractors who are put off major construction jobs — move into the domestic market," Ahchow says.

Sydney builder Rick Herrera says business was flagging until he started competing for work online.



Competitive market . . . building activity is set to decline further. Photo: JESSICA SHAPIRO

"Coming into this year I'd spend around 10 grand on ads trying to get work but reckon I'd be lucky to get six or seven quotes the whole year," Herrera says. "But even with more competition for work due to the downturn I just got a \$150,000 job

online and only spent around \$300 on advertising."

The construction sector weakened for the 14th month in a row in March. But the rate of decline slowed, with the Australian Industry Group-Housing Industry

Association Australian performance of construction index at 46.9, well below the 50 point contraction benchmark, but up from 36.5 the month before.

HIA executive director Chris Lamont says the popularity of online quoting is being driven by efficiency and the need for tradesmen to diversify in the downturn.

"When work is tighter the capacity for trade contractors to quote on jobs without any real guarantee means that they can often be unproductive for a significant percentage of the day. In a depressed market you really can't afford that level of inactive time and the internet gives you an opportunity to put you in the race for that work upfront and sort out the details once you know you're going ahead," Lamont says.

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Jeremy Levitt, [serviceseeking](http://serviceseeking.com.au)

"Also if people see pressure in one segment of the market they're going to have a look where they can at engaging in other forms of work. The internet is providing an opportunity to become more informed on what work is out there."

Construction activity is set to decline further over the next 18 months, the latest Australian Industry Group-Australian Constructors Association construction outlook survey says.

The survey predicts the value of engineering and commercial construction work to fall to a 2.3 per cent growth rate in 2009, after a 10 per cent rise in 2008. It forecasts activity growth to fall by 2.4 per cent in 2010.